

NORTH CAROLINA GENERAL ASSEMBLY  
1965 SESSION

CHAPTER 1038  
HOUSE BILL 1003

1 AN ACT TO AMEND THE NORTH CAROLINA AGRICULTURAL WAREHOUSE ACT,  
2 ARTICLE 38, CHAPTER 106 OF THE GENERAL STATUTES CONCERNING THE  
3 BOND OF THE STATE WAREHOUSE SYSTEM UNDER THE UNITED STATES  
4 WAREHOUSE ACT.

5

6 The General Assembly of North Carolina do enact:

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8       **Section 1.** Article 38, Chapter 106 of the General Statutes, as the same appears in  
9 1960 Replacement Volume 3A, is amended by adding immediately after G.S. 106-450 a new  
10 Section, designated "§106-450.1", appropriately captioned, to read as follows:

11       **§ 106-450.1.** Any bond required by the provisions of the United States Warehouse Act on  
12 behalf of the State Warehouse System shall be procured in the name of, and shall show as the  
13 principal obligor thereon, the State of North Carolina and the obligations of such bond shall rest  
14 upon the State of North Carolina, acting through the State Board of Agriculture or the State  
15 Warehouse Superintendent on behalf of the State Warehouse System. Any right of indemnity  
16 over as against the principal obligor for any loss under the bond by any surety, shall principally  
17 and primarily be directed against and encumber the State Warehouse Indemnifying or Guaranty  
18 Fund provided for under the terms and provisions of this Article, including, but not restricted  
19 to, G.S. 106-435. Any cause of action arising out of or incidental to any bond furnished under  
20 and pursuant to the United States Warehouse Act shall be and constitute a claim and suit  
21 against the State of North Carolina, whether the State of North Carolina is designated as party  
22 defendant in any such action or not, and whether the action is brought against the State of North  
23 Carolina, the State Board of Agriculture, the State Warehouse Superintendent, the State  
24 Warehouse System, the Treasurer of the State of North Carolina as custodian of the State  
25 Indemnity and Guaranty Fund, or any of them, or any individual holding an office or acting as  
26 agent of the State of North Carolina, the State Board of Agriculture, the State Warehouse  
27 Superintendent, the State Warehouse System or other legal entity acting by and for the State or  
28 any of its agencies or instrumentalities in the execution of this Article. There shall be no  
29 liability or cause of action against any individual acting as an officer, employee, agency or  
30 instrumentality of the State in the execution of this Article under any bond furnished by the  
31 State under and pursuant to the United States Warehouse Act, except as in this Article  
32 otherwise provided."

33       **Sec. 2.** All laws and clauses of laws in conflict with the provisions of this Act are  
34 hereby repealed.

35       **Sec. 3.** This Act shall be in full force and effect from and after its ratification.  
36       In the General Assembly read three times and ratified, this the 14th day of June,  
37 1965.